



# Art and Business in Bangkok

A lavish hotel project unites the Sukosol family and revitalizes a Thai brand.

BY RON GLUCKMAN

**A**fter waiting tables as a student actor in New York, Krissada Sukosol Clapp returned home and became one of Thailand's top rock singers. From sold-out stadium concerts, his show-biz charisma swept him to stardom in films and on television. So his career change may perplex some fans: Krissada has become a high-end Bangkok hotelier. The alternative rocker's 39-room Siam Hotel—built at an enormous cost of nearly \$1 million a room—is not only attracting acclaim as an ultraexclusive Chao Phraya River retreat but also puts him back in the embrace of the family business.

Krissada is the youngest of four children in the Sukosol dynasty's third generation. Grandfather Kamol Sukosol built the family fortune as an early serial entrepreneur. He founded the Kamol Sukosol Co. in 1939 to sell General Electric radio sets (a dozen in the first transaction) and electric appliances. It later moved into manufacturing and car dealerships, acquiring the right to represent GE in

Thailand and the franchise for Mazda.

Patriarch Kamol, who died in 1980, also invested in property. But it was his daughter Kamala Sukosol who used the real estate to transform the group into a hospitality pioneer in Pattaya. She launched the Siam Bayshore Resort & Spa, one of Pattaya's first beach resorts, in 1975, followed eight years later by the Siam Bayview Hotel.



**Grandfather Kamol Sukosol got the ball rolling in 1939 selling electric appliances.**

Her two oldest children—daughters Marisa Sukosol Nunbhakdi, 46, and Daranee Sukosol Clapp, 44—joined the family business after studies in the U.S. But two younger brothers, Kamol Sukosol Clapp, 42, and Krissada, 41, aspired to become full-time musicians. Kamol, whom everyone calls “Sukie,” played in Krissada's band, Pru. Kamol also launched Bakery Music, formerly Thai-

land's largest independent music label. (The father of the four, Terrence Clapp, is from the U.S. The parents were divorced decades ago. Clapp stayed in Thailand but is not involved in the business.)



PETER CHARLESWORTH / ONASIA.COM FOR FORBES

**Kamala Sukosol, the matriarch of the family business empire, at the new Siam Hotel with her sons, Kamol Sukosol Clapp (left) and rock star Krissada Sukosol Clapp, and her daughters, Daranee Sukosol Clapp (left) and Marisa Sukosol Nunbhakdi.**

## NEXT TYCOONS — THE SUKOSOL FAMILY

Krissada pushed his mother and the rest of the family into backing the Siam Hotel, by far the Sukosols' boldest gambit. It turned out to be just the right challenge to entice both sons to commit fully to the family business. Perhaps just as important, this small hotel has rejuvenated the family's hospitality operation and the Sukosol brand.

The hotel, which opened in June, also marks a transition as the third generation increasingly takes over

and charts new directions for the group. In February the Sukosol Group announced a rebranding of the Pattaya properties, along with its five-star Siam City Hotel in Bangkok. Instead of Siam, it now uses the Sukosol name. Marisa—who handles marketing, management and development as executive vice president—explains that Siam had become too generic a term in Thailand: “Ten to twenty years ago you didn't really need to be a brand. Now you need to market, and the Sukosol name is dynamic. [In contrast,] the new Siam Hotel is unique enough to call itself Siam.”

The hotel is the start of a new generation of projects for the group. A flashy resort in Pattaya called the Wave is under construction, while Kamol is spearheading development of a rural retreat in Chonburi near the infamous “Bridge on the River Kwai.” He says it will be a luxury getaway with plantation gardens.

While the projects represent the aspirations of the family's third wave, they make use of a land bank assembled by previous generations. Kamala, the matriarch, describes a river trip decades ago in Chonburi; mesmerized by the beauty, she bought property on the spot. And the Siam Hotel sits on prime Chao Phraya property purchased by her father 40 years ago. “He really bought it as a place to tie up his boat,” she chuckles.

For many years the Chao Phraya land was used by a restaurant. After the lease expired Krissada pitched his idea for a novel hotel. He envisioned a luxurious boutique inn recalling the Golden Age of Siam, when travelers came by boat and reveled in princely Thai hospitality. Every room would be outfitted with antiques. “The idea was in my mind since 2005,” says



**A suite at the new Siam Hotel, an exclusive Chao Phraya River retreat and the Sukosols' biggest gamble, costing almost \$1 million a room to build.**

Krissada, surprisingly soft-spoken, a contrast to his energetic stage persona; some compare him with Sting. “I'd really never been part of the family business. I was always on my own, doing music, acting. I told my mother, let's do a hotel, but a really special place on the river, like the big boys.”

Krissada had a hidden agenda, and a somewhat secret talent. An avid antiques hunter, he had been scouring markets, collecting furniture and odds and

ends for years. He reckons he has 2,000 pieces. “My stuff was filling a warehouse. I really wanted to have somewhere to put everything.”

His dream was to create a kind of hotel cum museum, not only showcasing antiques in the public spaces but also different collections in each room. One room is decorated with tiny cards depicting vintage Thai celebrities that were

giveaways in gum or cigarette packs. Other rooms are kitted out with a set of charcoal sketches or musical instruments.

The artistic details appealed to his mother, herself an avid collector for 35 years—the Chinese terracotta pieces in the main lobby are hers. She's also a jazz singer who has released more than 20 recordings, and regularly hosts musical pageants to benefit charities such as the Red Cross and the Ramathibodi Foundation. In 2009 FORBES ASIA named her as one of 48 Heroes of Philanthropy that year. Onstage she's often joined by her talented children. Marisa is a singer with her own hit recordings, who has performed with the Bangkok Symphony Orchestra.

In her day job Kamala oversees a group that now boasts five divisions: hotels, trading, property, entertainment and living (restaurants and bars, spas, travel and dental care). Sukosol is entirely held by the family and won't release revenue or profit numbers, but it estimates the value of the group at \$190 million, just short of the cutoff for FORBES ASIA's list of Thailand's 40 richest.

And as a cool-headed businesswoman, the costs for Krissada's tiny hotel confounded her. She initially balked at the price, spending so much money on so few rooms. “I didn't get it at first,” she concedes. “I really

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thought it was a vanity project.” Krissada took her on a tour of other boutique properties, but, she says, “they really weren’t my style.”

What did impress her was Krissada’s passion for the project, and she couldn’t help but want to nurture his interest in the family business. Kamala, renowned for her big, wavy hair and flashy fashions even as she turns 71 this month, jumped at the chance to bring the entire family together on the project. “My father always said, ‘A piece of land is worthless, unless you put something on it,’” she says. “I told Krissada to go ahead.”

Krissada turned to Bill Bensley, a Bangkok-based American who became famous for designing plush resort landscaping in Thailand and Bali before moving to the front ranks of five-star-hotel architects. Krissada had never met Bensley, but knew his name well from the auction circuits: “Often I’d lose out on some antiques and see his name as the winner.”

Bensley describes the fit in glowing terms: “We have the same quirky tastes.” And as the design took shape, he adds, Kamala grew more enthusiastic over the potential: “She really wanted to do something special like this, something special for her family and for Bangkok.”

With the matriarch on board, the bar kept rising. An old friend of hers offered the hotel four rare Thai wooden houses. Many term them Jim Thompson houses, after the legendary U.S. silk trader, and in fact the houses had been moved by Thompson for a friend who owned them. Guests in the vintage houses have included Jacqueline Kennedy, Henry Ford, John Rockefeller and Roger Moore. Now at the Siam they house a restaurant, a cooking school and a villa complete with a private pool.

The costs kept rising, too. Daranee, the chief financial officer and

vice president of the real estate and trading companies, says the final budget—largely funded with cash on hand—may top \$32 million, not including the land. “We could have built 400 rooms for this price,” she says.

The result is a charming property—complete with a Thai boxing ring as one of the fitness facilities—that aims to charge the highest room rates in Bangkok. That’s a lofty goal considering the profusion of luxury and heritage hotels. “Generally the top end of the market in Bangkok is saturated,” says one analyst, who notes that the hotel will have to become a destination in itself.

Daranee says the project could be profitable in five years, but that’s assuming 65% occupancy year-round in a seasonal market and average rates of \$500 a room. “That would be the highest in Bangkok,” she says. Rooms with private swimming pools run \$1,200 and up.

Still, she points out that some returns are hard to quantify in normal accounting terms. Already the project has raised the profile of a hotel company that has been trading on its past for decades. The Sukosols’ third hotel opened 22 years ago. Within a couple years they will have doubled the portfolio with three new properties.

Kamala says the family is being courted now for signature projects in exotic locations such as Myanmar and Sri Lanka. The Siam has revitalized the Sukosol brand, she notes, and the resulting publicity has been worth the hefty investment.

At the mention of legacy, a twinkle comes to her eyes as she surveys the scene in the Siam’s restaurant. She’s sitting in one of the Thai wooden houses, surrounded by her children, passionately discussing the project that brought them all together. It’s the kind of sparkle only a mother understands. **F**